

additional security (*i.e.*, security in excess of your existing bond) to ensure sufficient coverage during an appeal. In that event, the Regional Director will require you to post the supplemental bond with the regional office in the same manner as under 30 CFR 556.53(d) through (f). If the Regional Director determines the appeal should be covered by a lease-specific abandonment account then you must establish an account that meets the requirements of 30 CFR part 556.56.

(d) If you do not either pay the penalty or file a timely appeal, BSEE will take one or more of the following actions:

(1) We will collect the amount you were assessed, plus interest, late payment charges, and other fees as provided by law, from the date you received the Reviewing Officer's final decision until the date we receive payment;

(2) We may initiate additional enforcement, including, if appropriate, cancellation of the lease, right-of-way, license, permit, or approval, or the forfeiture of a bond under this part; or

(3) We may bar you from doing further business with the Federal Government according to Executive Orders 12549 and 12689, and section 2455 of the Federal Acquisition Streamlining Act of 1994, 31 U.S.C. 6101. The Department of the Interior's regulations implementing these authorities are found at 43 CFR part 12, subpart D.

**FEDERAL OIL AND GAS ROYALTY MANAGEMENT ACT CIVIL PENALTIES DEFINITIONS**

**§250.1450 What definitions apply to this subpart?**

The terms used in this subpart have the same meaning as in 30 U.S.C. 1702.

**PENALTIES AFTER A PERIOD TO CORRECT**

**§250.1451 What may BSEE do if I violate a statute, regulation, order, or lease term relating to a Federal oil and gas lease?**

(a) If we believe that you have not followed any requirement of a statute, regulation, order, or lease term for any Federal oil or gas lease, we may send you a Notice of Noncompliance informing you what the violation is and what

you need to do to correct it to avoid civil penalties under 30 U.S.C. 1719(a) and (b).

(b) We will serve the Notice of Noncompliance by registered mail or personal service using the most current address on file as maintained by the BOEM Leasing Office in your respective Region.

**§250.1452 What if I correct the violation?**

The matter will be closed if you correct all of the violations identified in the Notice of Noncompliance within 20 days after you receive the Notice (or within a longer time period specified in the Notice).

**§250.1453 What if I do not correct the violation?**

(a) We may send you a Notice of Civil Penalty if you do not correct all of the violations identified in the Notice of Noncompliance within 20 days after you receive the Notice of Noncompliance (or within a longer time period specified in that Notice). The Notice of Civil Penalty will tell you how much penalty you must pay. The penalty may be up to \$500 per day, beginning with the date of the Notice of Noncompliance, for each violation identified in the Notice of Noncompliance for as long as you do not correct the violations.

(b) If you do not correct all of the violations identified in the Notice of Noncompliance within 40 days after you receive the Notice of Noncompliance (or 20 days following the expiration of a longer time period specified in that Notice), we may increase the penalty to up to \$5,000 per day, beginning with the date of the Notice of Noncompliance, for each violation for as long as you do not correct the violations.

**§250.1454 How may I request a hearing on the record on a Notice of Noncompliance?**

You may request a hearing on the record on a Notice of Noncompliance by filing a request within 30 days of the date you received the Notice of Noncompliance with the Hearings Division (Departmental), Office of Hearings and